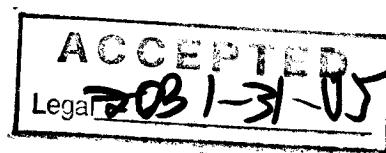


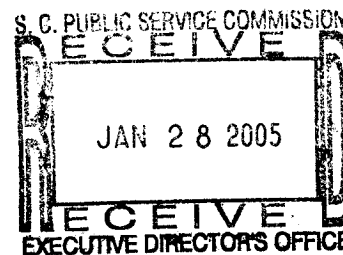
**CHEM-NUCLEAR SYSTEMS, LLC**

2000-3600-A

140 Stoneridge Drive • Columbia, South Carolina 29210 • (803) 256-0450



January 26, 2005



Mr. Charlie Terreni
Chief Clerk and Administrator
South Carolina Public Service Commission
P O Drawer 11649
Columbia, SC 29211

Dear Mr. Terreni:

Pursuant to S.C. Code Ann. §48-46-40(C), attached to this letter is our report detailing revenues or cash received in the previous fiscal quarter and allowable costs incurred for operation of the disposal facility. The cash received for this quarter is \$7,082,501 and is shown as "Cash Receipts for Buried Waste" in Exhibit A. Please note that this report is marked "Preliminary," and as such, the information provided may change.

The report presentation has been revised to better match the presentation of information in our application to the Public Service Commission. Allowable costs are broken into three categories: fixed costs, variable costs, and irregular costs. A total for each of these three categories is shown on the report. Total Other Allowable Costs and Total Other Payments, which are not included in the Fixed, Variable or Irregular Costs, are presented as separate items, as reported in the past.

Pursuant to S.C. Code Ann. §48-46-40(C), we are submitting this same information to the Department of Revenue and the Budget & Control Board.

Sincerely,

Regan E. Voit
President

c: Deborah Ogilvie, Chem-Nuclear Systems, LLC
Carol Ann Hurst, Chem-Nuclear Systems, LLC
Bill Newberry, Budget & Control Board

Chem-Nuclear Systems, LLC
 Barnwell Disposal Site
 Regan Voit
 James Latham

PRELIMINARY
 2nd QTR FY 04-05
Exhibit A

2nd QTR FY 04-05	
1	2
Cash Receipts for Buried Waste	7,082,501
Buried Cubic Feet	9,109.49
<u>Fixed Costs</u>	
Labor and Fringe	729,187
Non-Labor Costs	580,632
Corporate/Columbia SC Allocation (G&A)	315,203
Fixed Costs not subject to 29% Margin	156,250
Total Fixed Costs	1,781,272
<u>Variable Costs</u>	
Labor and Fringe	146,157
Non-Labor Costs	457,796
Total Variable Costs	603,953
<u>Irregular Costs</u>	
Labor and Fringe	75,247
Non-Labor Costs	318,217
Total Irregular Costs	393,464

<u>OTHER ALLOWABLE COSTS</u>	
<u>Taxes, Licensing and permitting Fees</u>	
Licenses	72,930
Disposal Taxes	66,293
(Decommissioning; Long Term Care)	
Other Ops costs Taxes	191,981
Disposal Site Lease	0
Other Labor/ Retention	24,671
Legal	99,467
Real Estate/Personal Property	20,227
TOTAL OTHER ALLOWABLE COSTS	475,568

<u>OTHER PAYMENTS</u>	
<u>Administrative costs</u>	
Atlantic compact commission	56,822
Public Service commission; Budget and Control Board;	
State Treasurer	213,291
TOTAL OTHER PAYMENTS	270,113